

## **WELCOME TO NEW YORK!!**

On behalf of the NFC Quality Partnership Council, a warm "Thank You" is extended to Haworth for hosting the April Council Meeting at their New York showroom. A "Thank You" also goes out to Steelcase who hosted a tour of their facilities.

## **FOND FAREWELLS**

Phil Todd has served as the Industry Chairperson to the Quality Partnership Council during his term on the Council. In recognition of his support, insight, and dedication to the Council, the National Furniture Center presented Phil with a plaque in recognition of his exemplary service to the Council. Phil has been promoted within Haworth and therefore will no longer be directly involved in the Government market.

MAJ Ruthann Haider also bid the Council farewell. She will be moving on to her next assignment in June, so the April Council meeting was her last. MAJ Haider expressed her appreciation for the opportunity to serve on the Council, which had benefited her personally, and professionally as well as having been of benefit to the Pentagon. Brenda Berry, Chief of Supply, Joint Chiefs of Staff, has agreed to take over MAJ Haider's seat on the Council beginning with the May 9<sup>th</sup> meeting in San Diego.

## **ACQUISITION MANAGEMENT**

The Office of Acquisition is currently working on a new "Evergreen" program for extended contract periods. At this time, GSA has the authority to exercise one 5-year option. If approved, contracts will be modified and the solicitation updated for contract periods up to twenty years without re-negotiation. Contract performance would be reviewed at five-year intervals. Review would include sales, past performance, and pricing. This approach would eliminate paperwork and maintain longer relationships with contractors.

The draft Corporate Contracting solicitation was issued for comment. The intent of the program is to offer both small and large businesses the opportunity to provide their entire business lines under one contract thus reducing costs to do business. From a customer perspective, corporate contracting would provide a single entryway to the commercial marketplace and would reduce administrative work. Total solutions for customer requirements would be available, easily accessible and provide a best value, greatest overall benefit approach through the corporate contract. Customers could build multiple partnerships with small and large businesses to accomplish the multiplicity of tasks required in meeting mission requirements. Due to the numerous changes required as a result of the comments received, the Corporate Contracting solicitation has been withdrawn. The future course of the program is currently under evaluation.

At the December QPC meeting, many contractors explained their reluctance to accept purchase cards on large orders due to the large transaction fees assessed by the credit card companies. The long lag periods between order and delivery can be considerable, putting further financial burden on contractors. Many industry representatives already refuse to accept purchase cards over the \$2,500.00 micro-purchase threshold because of the fees involved. The Office of Acquisition is currently looking at implementing a partial payment program for purchase card orders. The Federal Acquisition Regulation currently allows for up to 15% pre-payment under certain circumstances. The Office of Acquisition is working to further define the circumstances and establishing that pre-payment is customary in the commercial market. Once the commercial practice of pre-payment has been established, The Office of Acquisition would go forward with putting procedures in place.

The issue regarding the rates assessed to contractors accepting purchase cards continues to be an issue. There are no new notices about new rates. The volume of sales and the credit card institution determine the fees assessed. The only thing has been able to do is to recommend that contractors "shop around" with credit card companies to encourage better deals. GSA does not have access to contractors' credit card agreements and therefore can not change the fee structure. Industry representatives explained that there is very little variance in rates vendors pay their credit card companies. Inquiries were made as to contractors could get a break on fees paid to GSA, or assess customers an additional charge for use of purchase cards. Mr. Conley will investigate policies on purchase cards further. The current policies were established based on micro-purchase threshold. He indicated that the policy might have to change on orders in excess of the micro purchase. It could be that GSA is getting better than commercial customer pricing in light of the surcharges associated with purchase card use and a different pricing schedule may need to be developed for purchase card customers. GSA will work with its customers to determine the best course of action.

## **PROJECT MANAGEMENT**

The Furniture Center released its new Project Management schedule for Furniture related services. The intent of the solicitation is to increase opportunities for customers to obtain a total furniture solution. This is a supplemental program and not intended to replace the existing Packaged Programs. It is intended for firms who aren't buying a Package who need additional services. There have been a large number of service providers expressing interest in this schedule.

The schedule includes the following items:

1. Project Management

- Provide management services for the reconfiguration/refurbishment of office spaces.
- Services will include: overseeing office designs, and managing the logistics and furniture processes

## 2. Assets Management

- Provide customers with a full range of pre and post furniture services.
- Warehousing and Furniture Inventory services.
- Assets and CAFM systems.

## 3. Reconfiguration/Relocation Management

- Provide complete services for reorganizing, consolidating, warehousing, and opening of new office space.
- Contractors will assist customers with space planning and coordinating with vendors and designers.

## 4. Furniture Design/Layout

Services will provide customers with complete interior design and furniture consultation assistance.

## 5. Packaged Environments

Provides Customers with a complete and integrated office solution.

## 6. Assets Maintenance

Services will include the complete restoration, repair, cleaning, and renovation of office furnishings

The draft of the solicitation has been posted for comments. The final version of the solicitation is expected to issue the end of May, and will have a continual open season. Firms may propose on any or all items. Contracts awarded under this solicitation will be for five years with three five-year options. The customer will define the Statement of Work and issue the Task Order. The actual work to be performed under this contract will be based on actual customer needs.

For further information, contact Tom Barroso 703-305-7787, Rose Hudgens 703-305-5839, or Linda Brainard 703-305-5022.

## **MARKETING UPDATE**

The National Furniture Center continues to identify areas in which to expand its relationship with the Public Buildings Service. As a part of this effort, the NFC has developed a Carpet and Floor Covering Video to encourage PBS' general contractors to utilize the NFC's products. Customers would realize large savings if the general contractors were to utilize existing carpet schedules.

The National Furniture Center has just obtained the draft of the first section (Packaged Furniture Program) of the upcoming Furniture Center Catalog. Firms interested in having images of their products in the catalog are encouraged to contact Peter Dallessandro at 703-305-1622 or Ryan Smith at 703-305-5853.

The National Furniture Center's business partners will be making a huge showing at the upcoming EXPO in San Diego. With NFC partners representing 186 of the 826 booths at the EXPO, the NFC will be the most largely represented GSA Commodity Center. There are approximately 6000 attendees preregistered, 50% of which are DoD customers. Set up is scheduled for Tuesday. In light of the concerns voiced that exhibitors with 20x20 or larger booths would not have adequate time for set up, exhibitors with large booths will have access Monday afternoon. The EXPO will run from 9 a.m. – 4 p.m. on Wednesday, and 8:30 – 3 p.m. on Thursday. It is going to be a HUGE show!!

Outreach Europe 2000, scheduled for October 17 – 19<sup>th</sup> at the Patrick Henry Village in Heidelberg, Germany, will be upon us in no time! With an increase of 75 booths from the 1998 event, it will be the biggest effort to date for this show. In 1996, there were 1200 participants, in 1998, 1700 participants, and for Outreach Europe 2000 the goal is 2000!

Joseph Food will occupy 45 booths, with 178 spaces for products and services. Twenty-two of the booths have already been paid for. As a courtesy, the NFC will be consolidating shipments at its New Jersey facility. First priority will be given to exhibitors that have participated at prior Outreach Europe events. GSA will not be paying for return shipping; exhibitors are expected to sell off their products at the end of the show. Check the website for additional information.

## **BEST VALUE**

Federal Acquisition Regulation (FAR) 8.4 allows for customers to place orders under \$2,500.00 with any schedule contractor. For orders over \$2,500.00, but under the Maximum Order, customers are required to review at least three price lists and choose the Best Value. Over the Maximum Order, customers are

required to review additional price lists and choose the Best Value.  
The Best Value Determination should be based on:

- ★ Price
- ★ Special Features
- ★ Trade-in
- ★ Probable Life
- ★ Warranty
- ★ Maintenance Availability
- ★ Past performance
- ★ Environmental Factors
- ★ Administrative Savings
- ★ Comfort/Suitability of the Item
- ★ Delivery Time
- ★ Training Needed/Provided
- ★ Technical Qualifications
- ★ Compatibility with Existing Furniture
- ★ Other (Must Be Specified)

When GSA places an order on behalf of a customer, GSA is responsible for assuring that the appropriate Best Value determination has been made. To assist its customers, the NFC has developed a worksheet for customers to use in making their determination in accordance with FAR 8.4. A copy is included in these minutes. An electronic copy will be posted onto the NFC website. The NFC encourages its business partners to make copies of this document available to their customers.

**National Furniture Center  
MULTIPLE AWARD SCHEDULE  
BEST VALUE DETERMINATION GUIDELINES**

FAR 8.4 tells us that you should make a best value determination before placing Multiple Award Schedule (MAS) orders above the micro-purchase limit (currently \$2500). For orders over \$2,500, but under the Maximum Order (MO), simply review at least three price lists. For orders over the MO, review additional price lists/Use GSA Advantage!, and generally seek a reduced price from those contractors appearing to offer the best value. Orders under \$2,500 may be placed with any schedule contractor.

Yes      No

- ☐ Did you review the required number of sources under the Federal Supply Schedule?  
Please list the contractors' names below:

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Yes      No

- ☐ Are you buying the lowest priced item? If **NO**, indicate the factors considered in your best value decision below:

- ☐ Price
- ☐ Special features that are required in effective program performance that are not provided by a comparable item
- ☐ Trade-in considerations
- ☐ Probable life of the item selected as compared with a comparable item
- ☐ Warranty considerations
- ☐ Maintenance availability
- ☐ Past performance (e.g., experience)
- ☐ Environmental and energy efficiency considerations
- ☐ Comfort/suitability of the item
- ☐ Delivery time
- ☐ Your administrative costs
- ☐ Training needed or provided
- ☐ Technical Qualifications
- ☐ Compatibility with existing furniture
- ☐ Other (Specify) \_\_\_\_\_

If you have considered the factors above to choose the item(s) which overall will provide the best value, then you have made a best value determination.

When ordering based on a best value determination, please include this checksheet with your order. Fax orders to 703-305-6032, or call 703-305-6636 for more information.

April 6, 2000

## **PACKAGED HEALTHCARE PROGRAM**

Last spring, the Department of Veteran's Affairs (VA) approached GSA about developing a Packaged Healthcare Program. This program is based on the same principles as the Packaged Quarters Furniture and the Packaged Office Program. In May of 1999, a pre-proposal conference was held. VA Designers from around the country attended. The NFC has been working to incorporate the needs of DoD into the program to maximize the patient room portion. The projected sales for the program are \$7 million annually. This figure is conservative as it reflects VA projects only. DoD also has considerable potential applications. Three awards under the Packaged Healthcare are anticipated by the end of April. The VA has funding available for a number of clinics that they need to get started on very soon. The VA will be participating in the San Diego EXPO.

## **EVERGREEN AWARD**

Applications are currently being accepted from Furnishings suppliers for the Evergreen Award. Applications are due by April 30, 2000. The next award for Furniture suppliers will be made in the fall. For more information, check the NFC webpage at [www.nfc.fss.gsa.gov](http://www.nfc.fss.gsa.gov) or contact Linda Brainard at 703.305.5022.

## **COUNCIL POSITIONS**

Applications are currently being accepted for two Industry representatives to the Council. Applications are due by June 15, 2000. The new terms will begin in July. For more information, check the NFC webpage at [www.nfc.fss.gsa.gov](http://www.nfc.fss.gsa.gov) or contact Linda Brainard at 703.305.5022.